Last Chance Mercantile:

A Model for Local Government Recycling and Waste Reduction

Overview

The Last Chance Mercantile (Last Chance) is the place where reusable materials get their last chance before ending up in the Monterey Regional Landfill. Constructed together with a major materials recovery facility (MRF) in 1996, the Last Chance has more than doubled the tonnage salvaged and increased revenues from sales of salvaged materials by almost 500 percent.

The Last Chance is a deluxe model of the type of reuse and salvaging operations pioneered in the 1980s by Urban Ore in Berkeley, Calif. Materials salvaged and sold include the following:

- Furniture
- Lumber
- Used building materials
- Housewares
- Garden
- Hardware/electrical
- Clothes and textiles
- Sporting goods
- Reusable paints, cleaners, and pesticides
- Automotive parts

Increasingly, communities working to meet the goals of the Integrated Waste Management Act (AB 939, Sher, Chapter 1095, Statutes of 1989 as amended [IWMA]) are including such salvage operations as part of standard designs for transfer stations, MRFs, and landfills.

Program Characteristics

The Monterey Regional Waste Management District operates the Last Chance resale store as part of its Regional Environmental Park in Marina, Calif. The environmental park includes a 315-acre landfill, MRF, public recycling drop-off bins, household hazardous waste management facility, construction and demolition (C&D) recycling operations, composting facilities, soils blending facility, landfill gas recovery power plant, and water pollution control facility. The environmental park received the "Best Solid Waste System" award from the Solid Waste Association of North America in 1999.

The Last Chance is the place where reusable materials get their last chance before ending up in the landfill. The development of the Last Chance concept began more than a decade ago. In the late 1980s, staff began to collect, organize, and sell salvaged items from the landfill, based on similar activities at Urban Ore in Berkeley (see profile below). The district was particularly interested in Urban Ore's concept of a "serial MRF."

With the passage of the IWMA in 1989, the district made a major investment in new facilities and programs. In order to divert 50 percent of incoming wastes from member cities from the landfill, the district worked diligently to implement a wide range of reuse, recycling, and composting programs.

Initially, staff salvaged materials from the face of the landfill and accumulated them until they had enough for an auction or a sale. The first year, they auctioned off materials (hoping to get more money from some of the higher value products) but found that the cost of the auctioneer was too expensive to do this on a regular basis. Instead, the district held quarterly sales, then monthly sales, then weekly sales, and then sales two days per week.

By 1991, the district had dedicated a rustic shed in a hidden corner of the district property to store these salvaged materials. When a sign was made for that shed, the district named it the Last Chance Mercantile.

In 1996, the district upgraded its salvaging activities and the Last Chance. The district constructed the Last Chance facility as part of a variety of site improvements, including a state-of-the-art $9 million MRF. Public self-haul vehicles and rolloff trucks now dump their materials on the MRF tipping floor. District staff then salvages materials from the tipping floor.

The district uses a Caterpillar 315L track excavator at the MRF with grapple attachment and RC60 CAT forklift, two 16-ft. flatbed trailers, and a district pickup truck to sort and move salvaged materials around the property. This is much easier, safer, and more thorough than the salvaging that was previously conducted at the face of the landfill.

The district constructed the new 8,000-square-foot building and paved a 2-acre yard for the Last Chance in October 1996. The district also increased its sale days to five days per week (and now conducts them six days per week). As a result of this new operation, the amount of tonnage salvaged more than doubled. Revenues from the sale of salvaged materials increased almost 500 percent!

For the three years beginning in FY 1991–92, average tonnage salvaged had been approximately 176 tons per year. For the three years beginning in FY 1996–97, the average tonnage salvaged jumped to more than 478 tons per year (see table in costs section below).

During the same period, revenues increased from an average of about $34,000 per year to an average of more than $202,000 per year for the past three years. In FY 1998–99, the number of paying customers purchasing one or more items at the Last Chance store was 36,428.

The Last Chance includes a room for processing materials for resale; indoor space for displaying items such as books, clothing, sporting goods, household items, and furniture; office space for the store manager; and restrooms. Building materials, plumbing fixtures (for example, tubs and sinks), patio furniture, and other items not affected by the weather are displayed outside.

Salvaging at the MRF guarantees a steady flow of resale items for the Last Chance store. During FY 1998–99, 515 tons of salvage was diverted from the MRF for the Last Chance. Approximately 5,000 drop-off donations directly from the public were also made, diverting another 300 tons from the landfill. The district expects to increase public donations in the future as the store becomes better known through word-of-mouth and advertising.

Materials sold at Last Chance FY 1998–99

	(% of daily totals)
Furniture	23%
Lumber/bldg. materials	20%
Housewares	15%
Garden	13%
Hardware/electrical:	10%
Clothes	9%
Sporting goods	8%
Automotive	2%

Shop and Swap. Household hazardous wastes are also collected from the public at the permanent household hazardous waste management facility adjacent to the Last Chance. When the public shops at the Last Chance, they are able to obtain reusable paint, cleaners, and pesticides free of charge.

Incentives

The district has worked hard to make reuse, recycling, and composting more convenient and cost-effective for the public. Of particular note is the district's design of the new facilities to have people "drop and shop" before the scales. Residents are encouraged to drop off their

recyclable materials and reusable products before they pay tipping fees to dispose of wastes in the landfill. This creates a powerful economic incentive for residents to avoid their disposal fees by reuse and recycling.

Residents are also encouraged to obtain "bargains" at the Last Chance store, either as they drop off materials when they arrive at the facility, or before they leave the site. The district tells residents that their participation in this "drop and shop" effort saves them money, and it saves the district time and landfill space.

A Communitywide Effort

The district has a comprehensive public education program to actively support member cities in reaching the 50 percent waste reduction goal of the IWMA. Partly as a result of these efforts, a local newspaper, the Coast Weekly, picked the Last Chance Mercantile as the "Best Place to Find Gold" in Monterey County in April 1998.

District staff members produce numerous brochures and media campaigns throughout the year to inform the public about specific district programs and to share information on how to reduce, reuse, and recycle (for example, recycling of phone books and Christmas trees). The general manager and other staff also join with two public education staff members to participate in local committees and community groups.

Community Events. Staff members participate in local community events to provide information about the district's goals and programs, including:

- Monterey County Fair.
- Earth Day.
- Garden fairs.
- Chamber of Commerce trade fairs.
- America Recycles Week.

Service Club Presentations. District staff members regularly speak before service clubs and other community organizations. They give slide presentations and talk about a variety of topics, from an overview of the district's programs to specific programs such as the Last Chance.

Backyard Composting. To help return organic materials to the soil instead of throwing them into the landfill, the district offers free workshops on what to compost, how to build a compost pile, and how to use the finished compost. Three different types of backyard composting bins and a worm-composting bin are sold at discounted prices at the Last Chance store.

The district has also donated "how-to" videos and books to all local libraries. Home composting produces organic fertilizer and reduces the volume of green waste sent to the landfill.

Creative Reuse. In celebration of America Recycles Week, the district's first recycled art contest was held in October 1998. Nine local artists participated in this creative endeavor. Their imaginative works are on display throughout the facility.

Award-Winning Advertisements. The district has created a popular television advertising campaign to increase the public's awareness about its activities and to promote recycling and reuse. The campaign highlights the wide array of programs and services offered, the site's location, and items available at the Last Chance. These advertisements are designed to create a greater familiarity with district programs, increase facility usage, and heighten awareness of reuse and recycling issues and the proper disposal of household hazardous waste.

The first three television ads were created featuring "Al." Al is the "common man" who takes the viewer to the Monterey Regional Environmental Park to show them that ". . .it's much more than just a dump." In other ads, Al encourages people to recycle in their apartments, homes, and at work.

Some of the ads featuring "Al" were national finalists in the Vision Award Competition in both 1997–98 and 1998–99. The Vision Awards recognize the best local and regional television ads.

Commitment to Reuse. The district notes that one of the biggest roles that the Last Chance plays is in demonstrating the district's commitment to reuse. Because the public is very aware of the need to reduce, reuse, and recycle, they very much appreciate the opportunity to reuse materials that would otherwise be landfilled. This has developed an enormous amount of goodwill for the district with area residents.

Costs, Economics, and Benefits

The 8,000-square-foot building and paved 2-acre yard for the Last Chance were constructed in October 1996 at a cost of $739,000. Financing of the building was included as part of the overall financing for the MRF, landfill gas building, and other site improvements.

The store's income fully covers the annual operating cost of the facility, including staff, materials, equipment, repairs and maintenance, and utilities (but excluding financing). The payroll budget of about $200,000 includes the Last Chance/HHW manager, assistant manager, ten sales clerks (hourly personnel) and related benefits.

Last Chance Mercantile Tonnage and Income

	Tonnage*	Income
FY 1991–92	156 tons	$15,859
FY 1992–93	139 tons	$43,179
FY 1993–94	221 tons	$43,000
FY 1994–95	189 tons	$72,296
FY 1995–96	297 tons	$89,643
FY 1996–97	442 tons	$127,800
FY 1997–98	478 tons	$208,416
FY 1998–99	515 tons	$272,159
FY 1999–2000	(estimated)	$285,000

* Tons diverted from the MRF; additional tonnage is also donated

The district continues to promote the store and improve its operations to further increase the diverted tonnage and income from resale.

Local Government Challenges and Opportunities

The Last Chance is a good example of reuse and salvage facilities that may be implemented by local governments in a variety of ways. Last Chance was based on the example of Urban Ore in Berkeley, which started salvaging at the landfill, then at the transfer station. Individuals are now the most common users of the facility, who visit Urban Ore before they dispose of their wastes.

Local governments could encourage similar reuse and salvaging activities in a number of ways, including:

- Promoting existing reuse, thrift, repair, and salvage businesses with guides, listings, advertisements, and referrals. These should include businesses in the following standard industrial classification (SIC) codes:
  - Tire retreaders (SIC 7534).
  - Motor vehicle parts (SIC 5015).
  - Thrift stores (SIC 5932).
  - Used car lots (SIC 5511).
  - Radio and TV repair shops (SIC 7378).
  - Refrigeration and air conditioning repair (SIC 7623).
  - Electrical and electronic repair (SIC 7629).
  - Watch, clock, and jewelry repair (SIC 7631).
  - Re-upholstery and furniture repair (SIC 7641).
  - Welding repair (SIC 7692).
  - Armature rewinding shops (SIC 7694).
  - Auto repair shops (SIC 7532-7539).
  - Other repair shops not classified above (SIC 7699).
- Working with telephone directory services to cross-reference reuse and repair businesses in recycling directories now commonly included

in the "community services" section of phone directories.

- Organizing communitywide "garage sales."
- Developing local material exchange listings, like the California Materials Exchange (CALMAX) which lists free materials available in 15 categories. These include containers, electronics, pallets, and textiles.
- Encouraging creative reuse projects and warehouses that assist companies with excess inventories of materials to donate them to schools and nonprofit groups to make into art and other creative products. The donor companies then receive tax deductions.
- Targeting reuse and repair industries as candidates for local business assistance programs, grants, loans, and job training assistance.
- Adopting general plans and zoning ordinances that encourage reuse, thrift, repair, and salvage businesses. Consider encouraging such businesses to locate near each other, and promote the region informally as a "reuse and recycling zone."
- Exempting or decrease local business taxes and/or fees to encourage reuse, thrift, repair, and salvage businesses to grow.
- Including reuse of salvaged goods as a priority for community cleanups (see "Community Cleanups: Models for Local Government Recycling and Waste Reduction," CIWMB Publication #310-02-005).
- Offering materials collected at household hazardous waste events to others to take for free (for example, latex paints and household pesticides).
- Locating reuse and salvage operations at transfer stations and landfills.

Tips for Replication

Place reuse and salvage areas by transfer stations and landfills at a location before the gate where disposal fees are paid, to provide economic incentive to reuse materials and goods.

Require contractors that operate transfer stations and landfills to provide reuse and salvage services (either by contract or solid waste or local land use permit conditions). Establish these sites publicly or make available land (preferably at low or no cost) for entrepreneurial reuse businesses to be located next to transfer stations and landfill sites.

Identify what types of reuse, thrift, repair, and salvage businesses exist in your area, and ask them what might help them most to expand and promote their operations.

Case Study: Urban Ore

Urban Ore is the model for the Last Chance. It is a for-profit corporation in Berkeley, Calif., whose corporate purpose is "to end the age of waste." Urban Ore works toward that goal by running a salvaging and reuse business, by helping build the reuse and recycling industries, and by designing comprehensive systems to replace landfills. These systems can be designed for cities or rural areas.

Urban Ore salvages materials from landfills and sells the merchandise in retail trade. Urban Ore began in 1980. It was given permission to:

- Salvage at the city landfill.
- Place salvaged goods on the side of the road to the landfill.
- Sell those goods from the roadside.

The organization borrowed a pickup truck to help in those efforts, and the rest is history.

Today Urban Ore grosses $1.5 million every year and employs 25 people. Now the organization primarily diverts materials from going to waste. Only 15 percent of its materials are recovered after tipping at the local transfer station.

When people bring things to Urban Ore's receiving area, they are grateful to be rid of something and to know someone else will get use out of it. When people buy things at the Urban Ore store, they are glad to have found something unique without spending too much. The facility's merchandise also permits low-income people to keep up their properties at an affordable cost, contributing to enhanced appearance and property values. Some people even supplement their retirement income by buying things, fixing them, and reselling them.

Urban Ore has several departments: building materials exchange, hardware exchange, arts and

media exchange, general store, and salvage and recycling.

Urban Ore notes that all economic growth is built on resources and that reuse and recycling conserves resources and money. Every time a discarded item passes through a process and someone's hands, it generates income. Every step in recycling processing is like a little money pump, sending cash back through the economy where the processing facility is located. Urban Ore emphasizes that this is an opportunity for local officials to stimulate long-term economic growth while providing a "green" legacy for their children.

Groups have visited Urban Ore from all over the world, including the Netherlands, Japan, China, and Korea. It has been the subject of several nationally syndicated television programs featuring environmentally sustainable business methods. It was even photographed for Better Homes and Gardens Magazine to give upscale people interesting design ideas.

Urban Ore also provides consulting and systems design services to entrepreneurs and governments in both rural areas and big cities. Urban Ore has helped develop innovative programs throughout the United States and Canada; and in Melbourne, Canberra, and Adelaide, Australia.

Urban Ore has found that although people, culture, and local environment may vary, the social and technical problems related to disposing of unwanted resources and developing them into opportunities are remarkably similar. They stress that waste is not waste until it's wasted. Urban Ore has developed a method for profiling the supply of discarded materials. They stress that we have all the technology needed to recycle most everything that is now wasted. What is needed is a change in people's behavior.

To modify behavior, Urban Ore gives people what they want. In particular, Urban Ore rewards people both spiritually and financially for doing the right thing. If they stop by Urban Ore before going to the transfer station or landfill, the company promises to do its best to find new homes for these unwanted materials. This is a big relief morally and spiritually to most people, so they feel they are helping to solve problems instead of creating them. Also, Urban Ore saves people money if they don't have to pay the tipping fee to dispose of the materials. As a final bonus, Urban Ore often pays them for the materials.

In 1998 Urban Ore put $283,000 in cash and trade credit into people's hands. When people are provided a service they find valuable, when they are treated politely, and when they are rewarded financially, they tell their friends and they come back.

Urban Ore's smallest comprehensive center was designed for a town of about 200 on the Oregon coast, where people were worried about long distances to the markets. This turned out to be a much smaller problem than they first thought, and their center is now operational. It has a community center incorporated into the design, so it is a popular gathering place.

Urban Ore's designs promise a very exciting future. Development can be done on any scale. They naturally tailor their designs to the local supply and demand, especially if the resources are profiled correctly at the start. Their designs keep money cycling locally and are excellent for rural development. They provide many small niches for specialty operators, advocating that this is the most sustainable structure. A community is not reliant on a single entity to accomplish everything. Their developments are particularly popular with people who like small towns and rural environments.

Urban Ore notes that nearly every day a customer thanks them for existing. It's a rewarding way to live.

Case Study: Recycletown

Recycletown is another example of a program designed to promote reuse of materials. Operated for more than a decade by Garbage Reincarnation, Inc. (a local nonprofit educational group), Recycletown is located at the Sonoma County Central Landfill. Garbage Reincarnation is under contract to the County of Sonoma. Recycletown processes large volumes of materials for reuse and recycling, with about 50 tons a month sold for reuse. More than 300 tons of metal and significant amounts of paper, glass, and other recyclables are recycled.

Recycletown is a good nonprofit model for other reuse operations, and it is also a model for suburban communities. The educational aspect of

the project is equally as important as the business side. Recycletown has been geared to suburbanites who aren't very interested in reuse, so the program had to make the concept of reuse attractive to people who would rather buy new items.

However, the target group finds recycling attractive because they view it as a statement of support for the environment. The success of Recycletown proves that such a facility can be created anywhere.

In the early 1980s, Urban Ore and Recycletown were the two reuse programs of particular note in California. During that period, Recycletown operated at a small site originally intended only as a drop-off for recyclables. In 1992, as the IWMA mandated communities to reduce waste going to the landfill, Recycletown was expanded into an additional 2-acre site.

The new expansion featured a large used building materials yard and a series of stores to house the reusables. This series of stores was constructed largely by volunteers and is made entirely from salvaged building materials.

Recycletown was designed to look like a Wild West frontier town. This unique look draws interest in reuse from all over the country, showing many creative ways to use salvaged building materials.

At Recycletown there is a whole wall made of bottles, windows made with etched glass from shower glass doors, railings made from grape stakes, and timbers from a bridge torn down by the road department. Used power poles were used in the pole and beam construction.

In keeping with its educational role, Recycletown has held an annual "Scrapture" event since 1987. An average of 40 to 50 different artists and craftspeople bring entries to this competition based on the most creative uses of materials. This event has been emulated in many other communities and brings much media attention.

Reuse has more to offer a community than dollars and diversion tonnages. Reuse is a community resource. Local businesses have a place to bring their discards, and local small repair businesses, thrift stores, and the general public can find bargains and items that they cannot find elsewhere.

For example, Friedman Bros. staff routinely refers people to Recycletown for toilet tank lids. Toilet tank lids are not sold separately. When they break, people are excited to find replacement lids wherever they can. The same holds true for many replacement parts for all kinds of products.

Reuse yards are very easy to create. No capital equipment is needed. All that is needed is space, which rural communities often have in abundance. If there is no money for buildings to house the reusables, local volunteers can be inspired to create buildings from what is now going into the landfill, as they did at Recycletown.

References

CIWMB Publications

Many CIWMB publications are available on the Board's Web site at: www.ciwmb.ca.gov/Publications/.

To order hard copy publications, call 1-800-CA-Waste (California only) or (916) 341-6306, or write:

California Integrated Waste Management Board
Public Affairs Office,
Publications Clearinghouse (MS-6)
1001 I Street
P.O. Box 4025 (mailing address)
Sacramento, CA 95812-4025

Other Publications

"Best Management Practices for Transfer Stations/Recycling Centers," New Hampshire Department Environmental Services, 1997.

Kelly Lease, et al, "Building Savings: Strategies for Waste Reduction of Debris from Buildings," U.S. Environmental Protection Agency, 2000, fact sheet packet (20 pages), EPA-530-F-00-001. Available free via RCRA hotline, 1-800-424-9346.

Brenda Platt, "Creating Wealth From Everyday Items," Institute for Local Self Reliance, 1997. (202) 232-4108, ISBN 0-917582-95-0, LC 97-1338, www.ilsr.org/.

Brenda Platt and Jennifer Hyde, "Plug into Electronics Reuse," Institute for Local Self Reliance, 1997. (202) 232-4108, ISBN 0-917582-92-6, LC 97-97; www.ilsr.org/.

Michael Lewis, et al, "Reuse Operations: Community Development Through Redistribution of Used Goods," Institute for Local Self Reliance, 1995. (202) 232-4108, ISBN 0-917582-95-0, LC 95-31168, www.ilsr.org/.

Web sites

CALMAX: www.ciwmb.ca.gov/CalMAX/

Reuse Development Organization: www.redo.org/

Institute for Local Self-Reliance: www.ilsr.org/

Source Reduction Forum, National Recycling Coalition: www.nrc-recycle.org/councils/SRF/sourcereduction.htm

Neighborhood Reuse: www.reuses.com/

Donations matching service: www.excessaccess.com/

Internet Resale Directory: www.secondhand.com/

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Brenda Platt, Institute for Local Self-Reliance, Washington, D.C. (301) 270-3092, bplatt@ilsr.org, www.ilsr.org/.

Source Reduction Forum, National Recycling Council, 1727 King Street, Alexandria, VA 22314-2720. (703) 783-9025,www.nrc-recycle.org/Programs/Councils/SRF/sr_index.htm

Credits and Disclaimer

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The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, Flex Your Power and visit www.consumerenergycenter.org/flex/index.html.

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